

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Air Quality Division (DEQ/AQD), Herschler Building, 122 West 25th Street, Cheyenne, Wyoming 82002, and Comprehensive Risk Services, LLC, 333 East Osborn Road, Suite 300, Phoenix, Arizona, 85012, (CRS) enter into this Settlement Agreement (Agreement) to fully and finally resolve without litigation the alleged violations cited in Notice of Violation Docket Number 5498-14. The Notice of Violation alleged that CRS violated the Wyoming Air Quality Standards and Regulations (Air Quality Rules) by (1) failing to keep asbestos-containing material from becoming regulated asbestos-containing material (RACM); (2) failing to maintain removed RACM in an adequately wet state; and (3) failing to seal removed RACM into leak-tight containers while wet. These alleged violations occurred as a result of renovation activity performed at the Banner Health Community Hospital, located at 2000 Campbell Drive in Torrington, Goshen County, Wyoming (Hospital).

Wyo. Stat. Ann. § 35-11-901(a)(ii) (2013) authorizes stipulated settlement, including payment of a penalty, implementation of compliance schedules, or other settlement conditions in lieu of litigation. To that end, CRS and the DEQ/AQD hereby agree as follows:

1. CRS is an Arizona company authorized to do business in Wyoming.
2. CRS was the operator of a renovation activity at the Hospital.
3. The DEQ/AQD is the executive branch agency of Wyoming government responsible for enforcing the Air Quality Rules.
4. Wyo. Stat. Ann. § 35-11-201 provides, “[n]o person shall cause, threaten or allow the discharge or emission of any air contaminant in any form so as to cause pollution which violates rules, regulations and standards adopted by the [environmental quality] council.”
5. Chapter 3, Section 8 of the Air Quality Rules requires operators of renovation activities to comply with certain asbestos emission control procedures where at least 160 square feet of a disturbed facility component contains RACM.
6. Chapter 3, Section 8(i)(iii)(A) requires owners and operators to “remove all RACM from a facility being demolished or renovated before any activity begins that would break up, dislodge, or similarly disturb the material or preclude access to the material for subsequent removal.”

7. Chapter 3, Section 8(i)(iii)(F) of the Air Quality Rules requires owners and operators to make sure that RACM is adequately wet, and remains wet until it has been properly collected and contained.

8. Chapter 3, Section 8(m)(i)(A)(III) of the Air Quality Rules requires that all asbestos-containing material be placed inside "leak-tight containers while wet."

9. On Monday, September 15, 2014, DEQ/AQD Inspector Ms. Linda Dewitt performed a compliance site visit at the Hospital.

10. Before entering the site, Ms. Linda Dewitt spoke to Mr. Raymond Dominguez, Maintenance Plant Ops Manager for the Hospital, and Mr. Dan Stansbury, regional representative for CRS's prime contractor. Mr. Stansbury informed Ms. Dewitt that CRS employees had performed abatement at the Hospital from September 10, 2014 through September 12, 2014, and then left the job site for the weekend.

11. On September 15, 2014, Ms. Linda Dewitt observed the following at the Hospital:

- a. A work area of 1300 square feet of flooring and associated mastic that included shards of floor tile ranging from ½" x ½" to 1" x 2";
- b. A buffer with an abrasive pad and buckets of mastic solvent; and
- c. Four unsealed waste bags containing completely dry shards of floor tile and curls of removed sheet vinyl;

12. On October 27, 2014, DEQ/AQD issued Notice of Violation 5498-14 to CRS. The Notice of Violation alleged that CRS was in violation of the Air Quality Rules for removing asbestos-containing material in a manner that turned it into RACM, for failing to keep the RACM wet at all times, and for failing to place the RACM into leak-tight, sealed containers.

13. Without admitting liability or to the allegations made in paragraphs 9-11 above, and in lieu of litigation pursuant to Wyo. Stat. Ann. § 35-11-901(a)(ii), CRS agrees to pay to the DEQ/AQD the amount of thirteen thousand seven hundred eighty-one dollars and twenty-five cents (\$13,781.25) as a stipulated settlement to resolve the violations alleged in the aforementioned Notice of Violation. CRS agrees to make full payment by check made payable to the Wyoming Department of Environmental Quality - AQD, within thirty (30) days after CRS has been notified by DEQ/AQD that the final signature has been affixed to this Agreement. CRS agrees to mail the payment to Ann

Shed, Compliance Program Principal, DEQ/AQD, Herschler Building, 122 West 25th Street, Cheyenne, Wyoming 82002.

14. CRS, by entering into this Agreement, does not concede or admit any liability, fault, or statutory or regulatory noncompliance. Except as specifically provided for herein, nothing in this Agreement shall prejudice, waive, or impair any right, remedy, or defense that CRS may have against any entity.

15. Full compliance with this signed Agreement shall constitute full satisfaction for all claims by the DEQ/AQD against CRS arising from the allegations contained within the Notice of Violation and this Agreement. In reliance on this Agreement, the DEQ/AQD will refrain from taking further enforcement action against CRS for these particular alleged violations. By this Agreement, the Parties intend to resolve with prejudice all allegations that are contained within the Notice of Violation and this Agreement.

16. In the event that CRS fails to fulfill its obligations under this Agreement, CRS agree to toll any statute of limitation claims that may apply in an enforcement action by the DEQ/AQD involving the specific matters described in the Notice of Violation or otherwise set forth in this Agreement for the period that the statute of limitation of such claim or claims would otherwise have run but for the negotiation and performance of this settlement agreement.

17. This Agreement shall be admissible by either CRS or the DEQ/AQD without objection by the other party in any action between DEQ/AQD and CRS relating to the violations alleged herein.

18. Each party assumes the risk of any liability arising from its own conduct. Neither party agrees to insure, defend, or indemnify the other. Neither DEQ/AQD nor CRS shall have any claim against the other for attorneys' fees, or any other costs related to the preparation and resolution of this Agreement.

19. Any changes, modifications, revisions, or amendments to this Agreement are invalid unless mutually agreed upon by both parties, incorporated by written instrument, executed, and signed by all parties to this Agreement.

20. The laws of the State of Wyoming shall govern the construction, interpretation, and enforcement of this Agreement. The Courts of the State of Wyoming shall have jurisdiction over this Agreement and the parties, and the venue shall be the First Judicial District, Laramie County, Wyoming.

21. This Agreement, consisting of five (5) pages represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.

22. The State of Wyoming and the DEQ/AQD do not waive sovereign immunity by entering into this Agreement and specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyo. Stat. Ann. § 1-39-104(a) and all other state law.

23. The parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Agreement shall not be construed to create such status.

24. Each party represents that they are authorized to enter into this Agreement, agrees to comply with and to be bound by the terms of this Agreement, and further agrees that they will not contest the basis or validity of this Agreement. This Agreement shall become binding upon the parties once executed.

INTENTIONALLY LEFT BLANK

IN WITNESS THEREOF, the parties, by their duly authorized representatives, have executed this Agreement on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Agreement:

Comprehensive Risk Services, LLC:

By: Norman Hall
NAME
TITLE General Counsel

02/17/15
Date

STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY:

By: Steven A. Dietrich
Steven A. Dietrich, AQD Administrator

2-24-15
Date

By: Todd Parfitt
Todd Parfitt, DEQ Director

2/25/15
Date

APPROVAL AS TO FORM:

Elizabeth Lyon
Assistant Attorney General
Attorney for DEQ/AQD

2/25/2015
Date